

BILL ANALYSIS

Senate Research Center

H.B. 1487
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International Relations Trade & Technology
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Committee Report (Amended)

DIGEST

Currently, many freight forwarders in Texas are not registered. There are concerns that freighter forwarders operating near the U.S.-Mexico border may be involved in drug smuggling and other illegal activities. This bill requires freight forwarders to register with the Commissioner of Licensing and Regulation.

PURPOSE

As proposed, H.B. 1487 sets forth provisions regarding the regulation of certain transportation service providers and provides penalties.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the commissioner of licensing and regulation in SECTION 8 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. PURPOSE; LEGISLATIVE INTENT. Sets forth the purpose of this Act regarding the registration of transportation service providers and freight forwarders that operate in this state. Provides that this Act is not intended to regulate the rates, routes, or service provided by transportation service providers or freight forwarders.

SECTION 2. DEFINITIONS. Defines "commissioner," "department," "motor carrier" "person," and "transportation service provider" or "freight forwarder."

SECTION 3. REGISTRATION REQUIRED; EXCEPTIONS. Prohibits a person from operating as a transportation service provider or freight forwarder in this state without a certificate of registration issued under this Act. Provides that this section does not apply to certain persons.

SECTION 4. REGISTRATION PROCEDURE. Requires a person seeking to register under this Act as a transportation service provider to submit an application and a certain fee to the Texas Department of Licensing and Regulation (department). Requires the application form prescribed under this section to require an applicant to include certain information. Provides that a certificate for registration is valid for two years after the date the certificate is issued. Requires the registration holder to submit certain information to the department to renew a certificate of registration. Prohibits a registration holder from transferring or assigning a certificate of registration issued under this Act.

SECTION 5. FEES. Requires the Texas Commission of Licensing and Regulation to set the registration and renewal fees in amounts reasonable and necessary to cover the cost of administering this Act.

SECTION 6. TRANSPORTATION SERVICE PROVIDER FUND. Requires the department to deposit fees collected under this Act to the credit of the transportation service provider fund. Authorizes the money in that fund to be appropriated only to the department and only to administer and enforce this Act.

SECTION 7. DENIAL, SUSPENSION, OR REVOCATION OF CERTIFICATE OF

REGISTRATION. Set forth provisions regarding the commissioner of licensing and regulation's (commissioner) authorization to deny, suspend, or revoke a certificate of registration for certain violations.

SECTION 8. ADOPTION OF RULES. Requires the commissioner to adopt rules necessary to implement this Act, including requirements for the issuance, renewal, denial, suspension, and revocation of a certificate of registration.

SECTION 9. QUALIFICATIONS. Provides that an individual is not eligible for a certificate of registration or must surrender an existing certificate under certain conditions.

SECTION 10. RECORDS. Sets forth provisions under which a transportation service provider is required to maintain certain records.

SECTION 11. AUDIT. Sets forth provisions regarding the audit of the business records of a transportation service provider by the department.

SECTION 12. ENFORCEMENT. Sets forth provisions regarding the enforcement of this Act by the commissioner.

SECTION 13. COOPERATIVE AGREEMENTS. Requires the department to cooperate with federal or state agencies in carrying out this Act.

SECTION 14. CRIMINAL PENALTY. Provides that a person commits a Class A misdemeanor if a person knowingly violates this Act.

SECTION 15. CIVIL PENALTY. Sets forth a civil penalty for a person who violates this Act.

SECTION 16. POSTING OF CERTIFICATE REQUIRED. Requires a registration holder to post the certificate or registration issued under this Act in the person's place of business in a location visible to the public.

SECTION 17. Effective date: September 1, 1997.
Effective date of SECTIONS 3 and 14: January 1, 1998.

SECTION 18. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

Amendment 1.

Page 2, line 15, before "customs" insert "licensed."

Page 2, lines 19 and 20, insert the following:

"(d) This Act does not apply to an ocean freight forwarder as defined by 46 U.S.C. Section 1702."